PP RUEHBZ RUEHDU RUEHMR RUEHRN DE RUEHSB #0221/01 0721502 ZNY CCCCC ZZH P 131502Z MAR 09 FM AMEMBASSY HARARE TO RUEHC/SECSTATE WASHDC PRIORITY 4219 INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE RUEHUJA/AMEMBASSY ABUJA 2237 RUEHAR/AMEMBASSY ACCRA 2693 RUEHDS/AMEMBASSY ADDIS ABABA 2814 RUEHBY/AMEMBASSY CANBERRA 2082 RUEHDK/AMEMBASSY DAKAR 2438 RUEHKM/AMEMBASSY KAMPALA 2862 RUEHNR/AMEMBASSY NAIROBI 5301 RUEAIIA/CIA WASHDC RUEHGV/USMISSION GENEVA 1984 RHEHAAA/NSC WASHDC RHMFISS/JOINT STAFF WASHDC RUEHC/DEPT OF LABOR WASHDC RUEATRS/DEPT OF TREASURY WASHDC RHEFDIA/DIA WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK RUZEHAA/CDR USEUCOM INTEL VAIHINGEN GE

C O N F I D E N T I A L SECTION 01 OF 02 HARARE 000221

SIPDIS

VZCZCXRO8912

AF/S FOR B. WALCH
AF/EPS FOR ANN BREITER
NSC FOR SENIOR AFRICA DIRECTOR MICHELLE GAVIN
STATE PASS TO USAID FOR L.DOBBINS AND J. HARMON
TREASURY FOR D. PETERS
COMMERCE FOR ROBERT TELCHIN
ADDIS ABABA FOR USAU
ADDIS ABABA FOR ACSS

E.O. 12958: DECL: 03/13/2019
TAGS: <u>EAGR PGOV PREL ASEC PHUM ZI</u>

SUBJECT: BAD OMENS FOR ZIMBABWE AGRICULTURE

REF: HARARE 207

Classified By: Ambassador James D. McGee for reason 1.4 (d)

Summary

11. (C) As orchestrated land grabs by ZANU-PF continue, an informed contact reports that new Lands Minister Herbert Murerwa appears to be a captive of the permanent secretary inherited from Didymus Mutasa, and Agriculture Minister Joseph Made has no use for white commercial farmers. Without cheap off-budget lending to the agriculture sector from the Reserve Bank, commercial banks are choosier about their farmer clients. With inputs out of reach of the communal farmer and the remaining white commercial farmers being chased off the land, the situation begs the question of who will feed the nation. END SUMMARY.

Commercial Farmers Under More Stress Than Ever

12. (SBU) Doug Taylor-Freeme, former president of the Commercial Farmers' Union (CFU), told econoff on March 12, that Zimbabwe's remaining white commercial farmers had learned over the past eight years to defind themselves against attempted farm invasions but found themselves powerless now to handle the latest assault from the magistrate courts that are complicit in the corrupt state of the rule of law (reftel). He said the last of the white commercial farmers were under more pressure to vacate their farms since the formation of an inclusive government than under the previous ZANU-PF government. Taylor-Freeme also

relayed that Gideon Gono's nephew Temba Mliswa, a businessman of ill repute who runs Saltlakes Tobacco Company and who is the new ZANU-PF Secretary for Land, was working in cahoots with Attorney General Johannes Tomana and Attorney Mlotswa to seize farms that are still in white hands for a list of 200 ZANU bigwigs.

Lands Minister Frightened of Own PermSec

- ¶3. (C) Taylor-Freeme said he had sought a meeting with new Minister of Lands Herbert Murerwa, with whom he had maintained contact when Murewa was Finance Minister and Taylor-Freeme was president of CFU, to discuss his own legal battle to stay on the farm. Murerwa had suggested meeting the commercial farmer outside the Ministry, &to keep his permanent secretary in the dark,8 but had then cancelled several proposed meetings at the last minute. On a related note, Taylor-Freeme said that another white farmer had managed to get his foot in the door with Minister of Agriculture Joseph Made, only to be given short-shift and told that white farmers should finally get the message that they were no longer welcome in Zimbabwe.
- 14. (C) In regard to Murerwa,s appointment as Lands Q4. (C) In regard to Murerwa,s appointment as Lands Minister, a position that his predecessor Didymus Mutasa had used with a vengeance to chase white farmers off the land, Taylor-Freeme said that Murerwa himself was perplexed; he had had his sights set on the Ministry of Foreign Affairs, if on

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any ministry at all, after having been dropped from the Ministry of Finance in 2007 in a cabinet reshuffle.

15. (C) Taylor-Freeme had been making the rounds of Harare's banks to secure crop financing. CBZ Chairman Richard Wilde had told him that CBZ would not lend to any new farmers without a track record of production. Standard Chartered Bank had sought a US\$200 million facility for agriculture from its headquarters, but the main office was "hesitating." Barclay's had been bullish initially about lending to agriculture and had aggressively sought farmers' "wish lists," only to have developed cold feet recently. In Taylor-Freeme's view, if in the coming growing season the communal farmers do not get assistance with agricultural inputs, the new farmers no longer get concessional off-budget lending from the RBZ (which will undoubtedly be the case), and the remaining white farmers are forced off their land, agricultural output will plummet further and Zimbabwe will require still more food assistance in the coming years.

MCGEE